

## Message Text

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70

ACTION TRSE-00

INFO OCT-01 ARA-16 ISO-00 EB-11 FRB-02 L-03 RSC-01 DRC-01

/035 W

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R 052101Z DEC 73

FM AMEMBASSY TEGUCIGALPA

TO SECSTATE WASHDC 5822

UNCLAS TEGUCIGALPA 4554

E.O. 11652: N/A

TAGS: EFIN

SUBJ: VISIT BY NATIONAL BANK EXAMINERS

REF: STATE 211928 AND DEPT TRSY WASHDC DATED 11/28/73

DEPARTMENT PLEASE PASS TREASURY, DEPUTY COMPTROLLER-  
INTERNATIONAL, ROOM 4432, HAROLD D. SCHULER

1. ECOM OFFICER CALLED TO CENTRAL BANK DEC 5 BY  
PRESIDENT ALBERTO GALEANO. HE STATED HIS INTERPRETATION  
OF ARTICLES 18, 19 AND 39 OF THE HONDURAN LAW FOR FINANCIAL  
INSTITUTIONS DO NOT PERMIT INSPECTION OF BRANCHES OF  
U.S. BANKS BY THE NATIONAL BANK EXAMINERS. HE SUGGESTED  
THAT THERE WOULD BE NO PROBLEM IF NATIONAL BANK  
EXAMINERS WERE AUTHORIZED IN WRITING BY THE PARENT  
BANK, "BANK OF AMERICA", TO EVALUATE THE QUALITY OF  
THE BRANCH'S ASSETS AND OPERATIONS.

2. POSITION OF CENTRAL BANK PRESIDENT NOT ANTAGONISTIC  
BUT IT IS BINDING. EMBASSY READING OF CITED ARTICLES DOES  
NOT FULLY CONCUR WITH GALEANO THAT INSPECTION BY BANK  
EXAMINERS PROHIBITED. HOWEVER, EMBASSY RETICENT TO DISPUTE  
GALEANO'S JUDGMENT IF ALTERNATIVE OF COVERING LETTER FROM  
HOME OFFICE ACCEPTABLE TO DEPARTMENT OF TREASURY.

3. NEITHER GALEANO NOR EMBASSY AWARE OF PREVIOUS BANK OF  
EXAMINERS INSPECTION IN HONDURAS. IF THERE ARE PRECEDENTS  
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THESE WOULD BE USEFUL SHOULD DEPT OF TREASURY DESIRE

EMBASSY TO RAISE ISSUE AGAIN WITH CENTRAL BANK. HOWEVER,  
FROM EMBASSY POINT OF VIEW, COVERING AUTHORIZATION FROM  
BANK OF AMERICA HEAD OFFICE APPEARS SATISFACTORY  
SOLUTION WHICH WOULD NOT REQUIRE ANY FURTHER APPROACH TO  
GOVERNMENT OF HONDURAS.  
SANCHEZ

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** BANK BRANCHES, AUDITS, BANK LAW  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 05 DEC 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973TEGUCI04554  
**Document Source:** CORE  
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**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** TEGUCIGALPA  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Original Previous Classification:** n/a  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** VISIT BY NATIONAL BANK EXAMINERS  
**TAGS:** EFIN, HO, US, BANK OF AMERICA  
**To:** STATE  
**Type:** TE  
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